

SUPT. OF MINES DEPT.

Report of the
**Walker Mining
Company**



SUPT. OF MINES DEPT.

For the Year Ending July 31, 1925

Walker Mining Company

PLUMAS COUNTY, CALIFORNIA

P. O. and Shipping Point
SPRING GARDEN, CALIFORNIA

Operating Office
KEARNS BUILDING, SALT LAKE CITY, UTAH.

(Incorporated under the Laws of the State of Arizona)

CAPITAL STOCK

COMMON—AUTHORIZED	- - - - -	1,750,000 shares at \$1.00 per share
ISSUED	- - - - -	1,749,308 shares at \$1.00 per share

Directors

J. R. WALKER	GEO. BAGLIN	J. O. ELTON	J. B. WHITEHILL
B. R. HOWELL	W. R. WALKER	WILLIAM WRAITH	

Officers

J. R. WALKER, *President*
WILLIAM WRAITH, *Vice-President*
J. O. ELTON, *Vice-President*
J. B. WHITEHILL, *Secretary-Treasurer*

Directors' Report

Salt Lake City, Utah, September 18, 1925.

To the Stockholders of the Walker Mining Company:

The following report covering the transactions and operations of your Company for the year ending July 31, 1925, is submitted:

The Walker Mining Company produced during the year, in ore and concentrates:

Copper, pounds	12,776,038
Silver, ounces	228,553.57
Gold, ounces	7,692.944

The cost of producing copper (not including depletion, depreciation, interest or Federal taxes) was 9.485 cents per pound.

You will be interested to know that in the Main Ore Body, which has been mined for nine years, approximately one-half or 465,440 tons of 4.03% copper still remain, of which over 190,000 tons are broken, as shown by the books of the company. It is also estimated that there are over 900,000 tons in the North Ore Body above the 7th level. This ore will average 2.22% copper. Big results should be had by extending the 600 ft. level to the north, as it is now 2,120 feet north of the main supply shaft, and is about under the longest outcrop on the property.

The outstanding Preferred Stock of your Company, amounting to 100,000 shares was retired July 10, 1925.

The Balance Sheet and income account, certified to by Messrs. Pogson, Peloubet & Company, Public Accountants, are submitted herewith.

For a full account of the operations of your Company you are respectfully referred to the report of the General Manager which follows.

J. R. WALKER, *President.*

Manager's Report

Spring Garden, California, September 7, 1925.

Mr. J. R. Walker, President,
Walker Mining Company,
Salt Lake City, Utah.

Dear Sir:

I beg to submit herewith the annual report of the Walker Mining Company, covering the period of twelve months beginning August 1, 1924, and ending July 31, 1925.

MINING DEPARTMENT

The tonnage of ores mined during the year were as follows:

Ore, broken	255,000 Tons
Ore, produced and trammed	239,632 Tons

During the year the large ore body, lying seven hundred feet north of the main ore body on the sixth level, has been partially developed and explored by drifts and crosscuts on the sixth and seventh levels. An average grade of 2.00 per cent copper is indicated on the sixth level in a stoping area over one thousand feet in length. Stopping widths at this grade will vary from ten feet to twenty-five feet.

The tunnel level was driven nine hundred and ninety-five feet toward the north. Approximately nine hundred and sixty-five feet of drifting and crosscutting was done in the sublevel opened thirty feet above the seventh level. Ore is being mined from a stope one hundred and fifty feet in length and work is being done preparatory to opening this entire ore body for stoping.

The sixth level was driven toward the north exploring new territory for a distance of six hundred and fifty feet. The first three hundred feet was driven in the ore body mentioned above and the remaining three hundred and fifty feet followed a well defined vein of barren quartz. This vein shows promise and the level will be advanced on the vein.

It has been estimated that the above mentioned ore body contains 800,000 tons of ore which will assay 2.00 per cent copper.

The advances in underground openings not connected with stoping operations were as follows:

Large Drifts	1207.5 ft.
Small Drifts and Crosscuts	2410. ft.
Raises	1026.5 ft.
Total.....	4644. ft.

Openings driven in connection with stoping operations were as follows:

Small Drifts	1053. ft.
Small Crosscuts	460.5 ft.
Chute Raises	1429. ft.
Stope Raises	649.5 ft.
Stope Drifts	756.5 ft.
Raises	548.5 ft.
Total.....	4897. ft.
Total advance for the year in all classes	9541. ft.

The development program for the future includes sinking two shafts on the Walker Vein.

CONCENTRATING

The mill has operated satisfactorily during the year, and 655.49 tons of ore per day were milled for 362 days. Some minor changes and improvements were made.

The mill statistics for the year were as follows:

Ore delivered to the mill, tons	237,286
Average grade of ore milled, per cent copper	2.9421
Average tails, per cent copper	0.1512
Average recovery, per cent	94.3602
Average grade of concentrates, per cent copper	24.7763
Average grade of ore milled, oz. Silver	1.13
Average grade of ore milled, oz. Gold042
Tonnage of concentrates produced, tons	23,980.5440

During the year we recovered and delivered to the smelter, in the form of ore and concentrates:

Copper, pounds	12,776,038.
Silver, ounces	228,553.57
Gold, ounces	7,692.944

After deductions on smelting contract had been made copper paid for by smelter amounted to 11,879,511 lbs. Cost of producing this copper was 9.485 cents per pound, not including depletion, depreciation or interest, with gold and silver contents credited.

SPRING GARDEN TRAMWAY

The tramway has operated satisfactorily with only the usual minor repairs and replacements. A record of tonnages handled for the year is given below:

Tons dry Concentrates trammed	25,842.3264
Cost per ton Concentrates trammed	1.1511
Tons back freight	1933.7450

The costs for the year were as follows:

Breaking ore	\$1.34812
Cost of producing and tramping ore	\$0.60698
Cost of milling	\$1.06110
Cost of tramping concentrates to Spring Garden	\$0.13030
(Calculated on basis of original ore)	

Total operating cost per ton ore with concentrates delivered

at Spring Garden	\$3.14650
Cost of development per ton of ore broken	\$0.34526

Grand Total	\$3.49176
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CONSTRUCTION

The new general office and new assay office were completed during the year and a warehouse for heavy machine parts, an inclined tramway to the mill, and a dutch oven, designed to burn saw dust, under the boiler were built.

The two old bunkhouses are being remodeled and one has been plastered.

New fire fighting equipment was added as follows:

An 8000 gallon capacity tank built on a point 125 feet above the concentrator building furnishes high pressure fire protection to the upper part of the mill.

A new pumping plant, fed by the 90,000 gallons of water stored in the 50 ft. Dorr Tank gives additional protection to the lower mill buildings, tram terminal and warehouses.

One 40-gallon, and two 10-gallon Foamite Tanks were purchased and will be installed.

GENERAL

With an increased tonnage of low grade ore from the north ore body the mill can be operated at capacity for the coming year without depleting the ore reserves in the main ore body as rapidly as has been done in the past.

Exploration work in advance of the present face of the sixth level and below the seventh or haulage level should add to the ore reserves during the coming year.

The application made for patents on forty-one mining claims is still pending.

Yours very truly,

WALKER MINING COMPANY,

By H. R. TUNNELL, Manager.

Walker Mining Company

BALANCE SHEET, JULY 31, 1925

ASSETS

FIXED:

Mine, Mining Claims and Development.....	\$1,680,749.36	
Plant and Equipment	1,313,835.05	2,994,584.41

CURRENT:

Supplies on hand and Expenses prepaid	145,193.98	
Ores and Concentrates on hand—at cost	356,707.23	
Accounts Receivable	17,279.29	
Cash	56,211.36	575,391.86
		<u>\$3,569,976.27</u>

LIABILITIES

CAPITAL STOCK:

Common:		
Authorized—1,750,000 shares of \$1.00 each.		
Issued—1,749,308 shares		\$1,749,308.00
Reserve for Depreciation		296,342.58
Notes Payable		999,604.64

CURRENT:

Interest and Taxes accrued	24,501.63	
Accounts and Wages payable	98,892.20	123,393.83

SURPLUS ACCOUNT:

Surplus July 31, 1924	133,461.83	
Net Income of the year ending July 31, 1925	267,865.39	401,327.22
		<u>\$3,569,976.27</u>

We hereby certify that this Balance Sheet shows the financial condition of Walker Mining Company at July 31, 1925, and that the accompanying Income Account for the year ending that date is correct as stated.

POGSON, PELOUBET & Co.,
Certified Public Accountants.

New York, September 10, 1925.

NOTE:—In order to comply with the Government Income Tax Requirements for the purpose of computing depletion additional entries respecting the valuation of the mining property have been recorded upon the books of the Company; but being made for tax purposes only the result of such entries is omitted from the current statements.

Walker Mining Company

INCOME ACCOUNT

YEAR ENDING JULY 31, 1925

Sales of Ore and Concentrates	\$	\$1,526,007.74
Mining and Milling	921,136.29	
Transportation	168,143.65	
Inventory at beginning of year	293,632.44	
	<u>1,382,912.38</u>	
Less, Inventory at end of year	356,707.23	1,026,205.15
		<u>499,802.59</u>
Operating Profit		
Depreciation	157,459.40	
Interest	67,748.33	
Interest on Preferred Stock	6,729.47	231,937.20
		<u>\$ 267,865.39</u>
Net Income of the year ending July 31, 1925.....		